SOUTHERN DISTRICT OF NEW YORK	X
BITVESTMENT PARTNERS LLC, Plaintiff,	: : :
-against-	: 13 Civ. 7632 (RWS) : DECLARATION OF DANIEL H.
COINLAB, INC., CLI HOLDINGS, INC., ALYDIAN INC., PETER VESSENES, and JOHN DOE,	GALLANCY IN SUPPORT OF
Defendants.	: : :
	: X

- I, Daniel H. Gallancy, pursuant to 28 U.S.C. § 1746 and under penalty of perjury, declare and certify as follows:
 - 1. I am a private investor and investment analyst with an expertise in Bitcoin.
- 2. I make this declaration in further support of Plaintiff Bitvestment Partners LLC's ("Bitvestment") Motion for a Preliminary Injunction.
- 3. All Bitcoin transfers are stored in a publically available transaction database known as the bitcoin *blockchain*. Users of the Bitcoin-Qt software store a copy of the *blockchain* and exchange updates about the *blockchain* amongst one another as new transactions occur and are added to the *blockchain*. There are more than 100,000 copies of the *blockchain* (see http://getaddr.bitnodes.io/) stored on computers around the world. Transactions in the *blockchain* are thus viewable by any party with Internet access, but the transferor and the recipient of the bitcoins are shown only by their address (e.g., "12zZ" and similar).

4. As of Wednesday, January 08, 2014, a convenient way of viewing these transactions is to look at websites such as https://blockchain.info/ or http://blockchain.info/ or http://blockchain.info/ or https://blockchain.info/ or https://blockchain.in

5. As of November 1, 2013, the Defendant CoinLab, Inc. had approximately 15,101 bitcoins in its possession at bitcoin address 12zZM5LQeC4xdtRMNw7DdJVcCRBQQ8Vb1t (the "12zZ address"). Mr. Vessenes has previously represented that the 12zZ address was in fact CoinLab's. The value of those bitcoins as of January 8, 2013 would be approximately \$12.2 million.

6. On December 13, 2013, all the bitcoins at the 12zZ address were transferred to several other addresses. Many of these transfers appear to form a long chain of transactions as shown in the attached Exhibit A. I personally assembled Exhibit A using several screenshots from the website https://blockchain.info/.

7. These transfers obfuscate CoinLab's Bitcoin holdings and appear unusual in nature. Exhibit A shows a sudden and inexplicable series of transfers involving more than a dozen addresses in one day. The transfers shown in Exhibit A represent only a portion of the transfers that occurred on December 13, 2013. The full scope of the transfers is actually greater than what is shown but would be cumbersome to present in an exhibit.

8. The transfers can be explored in greater detail by visiting the web address https://blockchain.info/address/12zZM5LQeC4xdtRMNw7DdJVcCRBQQ8Vb1t.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

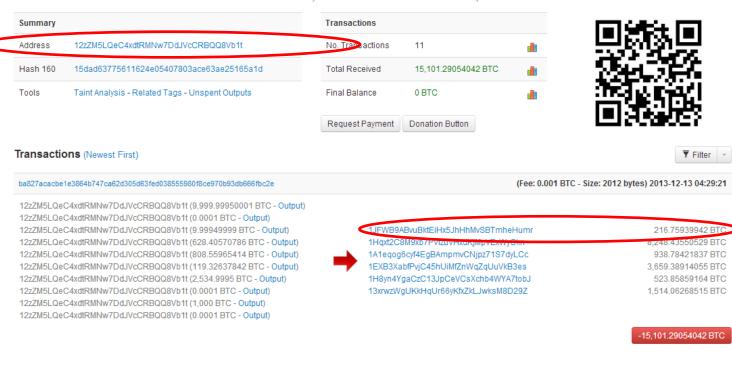
Executed on January 9, 2014 at New York, New York.

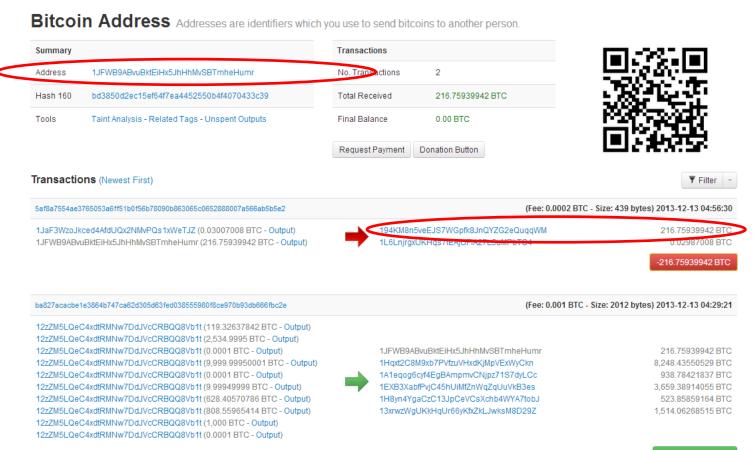
/s/ Daniel H. Gallancy
Daniel H. Gallancy

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Below: transfer of bitcoins from address 12zZM5LQeC4xdtRMNw7DdJVcCRBQQ8Vb1t occurring on 12/13/2013 and subsequent transfers occurring on that same date.

Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.





216.75939942 BTC

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Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.





Transactions (Newest First)

▼ Filter →

a752a57e1e2ef76054b2d2a535918f6a6cf519df09b991474184bc8728ea857c

entHBNN IUEWS 0.1201 BT0 r9CA4MnHoYXH 54 15982495 BT0

194KM8n5veEJS7WGpfk8JnQYZG2eQuqqWM (216.75939942 BTC - Output) 1LMb8SVt557vHtg3HDznfGVgrQF9qoLCRA (0.02319622 BTC - Output)

14pusSHE12 Na 16kW6FMHtnnAgSK1Kh8ER6r9cA4MnHoYXH 18eYU5kW2Kh3z265V39sjin,QKDW/GTdmDSf 1PAZW3fHFgU9pu98FHvaEN2PwNeMowQfFJ 1Cqrykoad5FZoWieXbaFS5nYhD5JbNEtXH 12u3atcuoeK1MHqTHTNWGsvdjN5zGz2inc

54.15982495 BTC 54.15982495 BTC 54.15982457 BTC 0.02299622 BTC

-216.75939942 BTC

5af8a7554ae3765053a6ff51b0f56b78090b863065c0652888007a566ab5b5e2

(Fee: 0.0002 BTC - Size: 439 bytes) 2013-12-13 04:56:30

(Fee: 0.0002 BTC - Size: 575 bytes) 2013-12-13 08:53:35

1JaF3WzoJkced4AfdUQx2NMvPQs1xWeTJZ (0.03007008 BTC - Output) 1JFWB9ABvuBktEiHx5JhHhMvSBTmheHumr (216.75939942 BTC - Output)



194KM8n5veEJS7WGpfk8JnQYZG2eQuqqWM 1L6LnjrgxUKHqs7fEAjUFiA27L5uMPbTC4 216.75939942 BTC 0.02987008 BTC

216.75939942 BTC

Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.

Summary		Transactions	Transactions	
Address	16KW6FMHtnnAqSK1Kh8ER6r9cA4MnHoYXH	No. Transaction	2	
Hash 160	3a58665503b6bde144a2683a9d24f9b9ea4a961f	Total Received	54.15982495 BTC	
Tools	Taint Analysis - Related Tags - Unspent Outputs	Final Balance	0.00 BTC	
		Request Payment	Donation Button	



Transactions (Newest First)

▼ Filter →

(Fee: 0.0002 BTC - Size: 575 bytes) 2013-12-13 08:53:35

194KM8n5veEJS7WGpfk8JnQYZG2eQuqqWM (216.75939942 BTC - Output) 1LMb8SVt557vHtg3HDznfGVgrQF9qoLCRA (0.02319622 BTC - Output)



14pusSHFGkXwdptNwurwKGjonbHDNHUEW5 16KW6FMHtnnAqSK1Kh8ER6r9cA4MnHoYXH 18eYU5KWZKGxZ8BVyDaykqQKDxVCTdmDSB PAZW3fHFgU9pu98FHvaEN2PwNeMowQfPJ 1Cqrykoad5F2oWieXbaFS5nYhD5JbNEtXH 12u3atcuoeK1MHqTHTNWGsvdjN5zGz2inc 0.1201 BTC 54.15982495 BTC 54.15982495 BTC 54.15982495 BTC 54.15982457 BTC 0.02299622 BTC

54.15982495 BTC

8624745784996898fdf3f26a5179d50759c23af1b24537ccaf336dcd808525e1

(Fee: 0.0002 BTC - Size: 574 bytes) 2013-12-13 05:35:32

16KW6FMHtnnAqSK1Kh8ER6r9cA4MnHoYXH (54.15982495 BTC - Output)
1Bzm9zSJnQqmmr6KCLYAPK3YSFc5KTXPQU (0.02495128 BTC - Output)

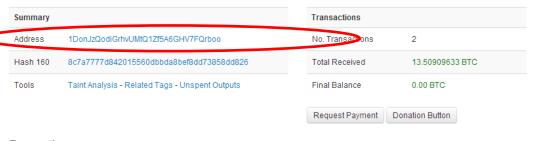


1DonJzQodiGrhvUMtQ1Zf5A6GHV7FQrboo 1DAwTjejdia6T5ZLeZszW15XVaTb39WFkQ 18srmxoFztB23g2eKv8kccYJPa7upCnig8 1CdbvgXPrL4BuCqEdFVSMemCyGWGSe7f3p 114KuzQ9uF1kJEgkCEgARJn2jPxNM4zYrN 9.12344 BTC 13.50909633 BTC 13.50909633 BTC 13.50909633 BTC 13.50909596 BTC 0.02475128 BTC

-54.15982495 BTC

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Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.





Transactions (Newest First)

bd9ada18423f06c67d2c0f53ac9b74514ada413e11d241b54d4812557f608e3b

(Fee: 0.0002 BTC - Size: 472 bytes) 2013-12-13 05:54:28

1FJcpQG6Zwdv4rRUXAUdypdrtEFidrR8o5 (0.02399659 BTC - Output)
1DonJzQodiGrhvUMtQ1Zf5A6GHV7FQrboo (13.50909633 BTC - Output)

13.48909633 BTC 0.02379659 BTC

▼ Filter -

-13.50909633 BTC

8624745784996898fdf3f26a5179d50759c23af1b24537ccaf336dcd808525e1

(Fee: 0.0002 BTC - Size: 574 bytes) 2013-12-13 05:35:32

1Bzm9zSJnQqmmr6KCLYAPK3YSFc5KTXPQU (0.02495128 BTC - Output) 16KW6FMHtnnAqSK1Kh8ER6r9cA4MnHoYXH (54.15982495 BTC - Output)



1BQ4GXL4KXZP26xLd4Qbvb2bNCXszx5XZR
1DonJzQodiGrhvUMtQ1Zf5A6GHV7FQrboo
1DAWTjejdia615ZLeZszW15AAaTbdSWPKU
18srmxoFztB23g2eKv8kccYJPa7upCnig8
1CdbvgXPrL4BuCqEdFVSMemCyGWGSe7f3p
114KuzQ9uF1kJEgkCEgARJn2jPxNM4ZYrN

0.12344 BTC 13.50909633 BTC 13.50909633 BTC 13.50909633 BTC 13.50909596 BTC 0.02475128 BTC

13.50909633 BTC

Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.

Summary		Transactions	Transactions	
Address	154yzcx22g73Fsdi9N1ygXADFWWxqsm6MS	No. Transactives	2	
Hash 160	2ca153a60b10257f8752f9fb79f4fc622ac054ea	Total Received	13.48909633 BTC	
Tools	Taint Analysis - Related Tags - Unspent Outputs	Final Balance	0 BTC	
		Request Payment D	onation Button	



Transactions (Newest First)

(Fee: 0.0002 BTC - Size: 473 bytes) 2013-12-13 06:21:09

15HwAd4JWao9XitT7H4MmbX3oaayzFJfGA (0.03399612 BTC - Output) 154yzcx22g73Fsdi9N1ygXADFWWXqsm6MS (13.48909633 BTC - Output)

0f534123e7c50b48a6d1bae2cd3ae95b33b6ad3c14f6c8d6c029df7d39141d2e



0.005 BTC 13.48409633 BTC

▼ Filter →

-13.48909633 BTC

bd9ada18423f06c67d2c0f53ac9b74514ada413e11d241b54d4812557f608e3b

(Fee: 0.0002 BTC - Size: 472 bytes) 2013-12-13 05:54:28

1DonJzQodiGrhvUMtQ1Zf5A6GHV7FQrboo (13.50909633 BTC - Output) 1FJcpQG6Zwdv4rRUXAUdypdrtEFidrR8o5 (0.02399659 BTC - Output)

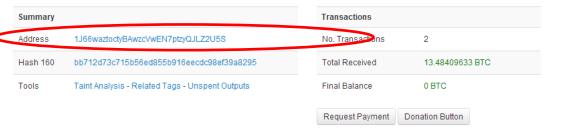


19XojGLJvXUT2dP3AMWH5oxioNWEA9FPZ6 154yzcx22g73Fsdi9N1ygXADFWWxqsm6MS 1K4hxWPYakDnyH25vqZSYSYcyvwxqRmhmE 0.02 BTC 13.48909633 BTC 0.02379659 BTC

13.48909633 BTC

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Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.





Transactions (Newest First)

▼ Filter -

669ea02cdfeb72a3ee8d34fbb9b0b06ea6283649364222978b8752690d488649

1DrGnkqp2ZV4nXzrFAT2aYWVqZqC9DdqgL (0.02399622 BTC - Output) 1J66waztoctyBAwzcVwEN7ptzyQJLZ2U5S (13.48409633 BTC - Output)

1EeL9oKX7SK6daWp7qXU29LUhAuvWR6j5b

13.47281633 BTC

0f534123e7c50b48a6d1bae2cd3ae95b33b6ad3c14f6c8d6c029df7d39141d2e

(Fee: 0.0002 BTC - Size: 473 bytes) 2013-12-13 06:21:09

(Fee: 0.0002 BTC - Size: 471 bytes) 2013-12-13 06:49:06

15HwAd4JWao9XitT7H4MmbX3oaayzFJfGA (0.03399612 BTC - Output) 154yzcx22g73Fsdi9N1ygXADFWWxqsm6MS (13.48909633 BTC - Output) 132urij29JFTqdKCHowHr4Cyb53y9sS7V1 1J66waztoctyBAwzcVwEN7ptzyQJLZ2U5S 19NERheVtY9Do3N7tGEvXtGursc1jjk6Mv

0.005 BTC 13.48409633 BTC 0.03379612 BTC

13.48409633 BTC

Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.

Summary		Transactions	Transactions	
Address	1EeL9oKX7SK6daWp7gXU29LUhAuvWR6j5b	No. Transa⊷ons	2	
Hash 160	95a903477ba44954b4fc111c1c2139ce5f384219	Total Received	13.47281633 BTC	
Tools	Taint Analysis - Related Tags - Unspent Outputs	Final Balance	0 BTC	
		Request Payment	Donation Button	



Transactions (Newest First)

▼ Filter →

6e42d32c516da305482aaf071822d344fa8642cd417da472b3d664424952e0e9

1EeL9oKX7SK6daWp7gXU29LUhAuvWR6j5b (13.47281633 BTC - Output) 1GPhAxvD8RggNnQpHc3xU1AWGKRCaJcqZR (0.77482213 BTC - Output) 1BJvU5jpAQGYJPHWFMBqxP6E2UpACZPUAK (0.02359581 BTC - Output)

1F9FHuxhwGhSH7LGwbBvq9CbFpnKQQi7TS

11.24763846 BT(

-13.47281633 BTC

669ea02cdfeb72a3ee8d34fbb9b0b06ea6283649364222978b8752690d488649

(Fee: 0.0002 BTC - Size: 471 bytes) 2013-12-13 06:49:06

(Fee: 0.0002 BTC - Size: 653 bytes) 2013-12-13 07:19:30

1DrGnkqp2ZV4nXzrFAT2aYWVqZqC9DdqgL (0.02399622 BTC - Output) 1J66waztoctyBAwzcVwEN7ptzyQJLZ2U5S (13.48409633 BTC - Output)



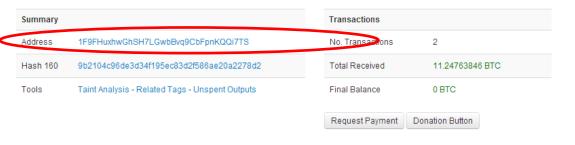
1NzdrTUxG7cZTfLQAKTHsXKCe9RcTbuVZt 1EeL9oKX7SK6daWp7gXU29LUhAuvWR6j5b 12LDQYhpXffvrpen4M342D1bmaeKNRoUjw

0.01128 BTC 13.47281633 BTC 0.02379622 BTC

13.47281633 BTC

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Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.





(Fee: 0.0002 BTC - Size: 471 bytes) 2013-12-13 07:50:52

(Fee: 0.0002 BTC - Size: 653 bytes) 2013-12-13 07:19:30

Transactions (Newest First)

▼ Filter →

7cc12399e32d9056bbd0d6466352fdb61c1395490fb4d3f3de008af3de4db8c3

17gipbMagMsjXKZtfPuxv2TipvMEg7d4om (0.0227961 BTC - Output)
1F9FHuxhwGhSH7LGwbBvq9CbFpnKQQi7TS (11.24763846 BTC - Output)

1Bv1PBNQQoN6N/nToUFuPyRPmsbQobelet 1Bsn1RcQ27tfWp1AX84M9fwQGFfeSAJzNk 1AEpGqruFs4FrQcRi42Stc.125Upsnikhi00 0 004488 BTC 11.24315046 BTC 0.0225961 BTC

-11.24763846 BTC

6e42d32c516da305482aaf071822d344fa8642cd417da472b3d664424952e0e9

1GPhAxvD8RggNnQpHc3xU1AWGKRCaJcqZR (0.77482213 BTC - Output)
1EeL9oKX7SK6daWp7gXU29LUhAuwWR6j5b (13.47281633 BTC - Output)
1BJvU5jpAQGYJPHWFMBqxP6E2UpACZPUAK (0.02359581 BTC - Output)



12rHnjMH92Zpu5FWzYJ9cBeSYExzat59dT 1F9FHuxhwGhSH7LGwbBvq9CbFpnKQQi7TS 1EBKParMiip44tsBbB5r7Q4QDwrVkEJQMo 3 BTC 11.24763846 BTC 0.02339581 BTC

11.24763846 BTC

Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.

Summary		Transactions	
Address	1Bsn1RcQ27tfWp1AX84M9fwQGFfeSAJzNk	No. Transactons	2
Hash 160	774ba04aded34bf60e4c067800cc720f7795cd20	Total Received	11.24315046 BTC
Tools	Taint Analysis - Related Tags - Unspent Outputs	Final Balance	0.00 BTC
		Request Payment	Donation Button



Transactions (Newest First)

f7e0c921e2cb30c16906b05d6153786b3bf6fdc728d27ee00a0246fb6e474f07

(Fee: 0.0002 BTC - Size: 473 bytes) 2013-12-13 08:37:49

1NVD1DuCgXytnHPMshE44VRdjyUUvd2h8T (0.02154538 BTC - Output)
1Bsn1RcQ27tfWp1AX84M9fwQGFfeSAJzNk (11.24315046 BTC - Output)

1D9s56hro1fUaYynA1TibZEdUZa,BDN4
1C7vN1QVkCNf13fA6BUdRsQ8jzGghaKFPo
1KC5wCkvxQpixJ-WijtURfgV9SBEN2aCa IE

0.50 BTC 10.74315046 BTC

-11.24315046 BTC

▼ Filter →

7cc12399e32d9056bbd0d6466352fdb61c1395490fb4d3f3de008af3de4db8c3

(Fee: 0.0002 BTC - Size: 471 bytes) 2013-12-13 07:50:52

1F9FHuxhwGhSH7LGwbBvq9CbFpnKQQi7TS (11.24763846 BTC - Output) 17gipbMagMsjXKZtfPuxv2TipwMEg7d4om (0.0227961 BTC - Output)

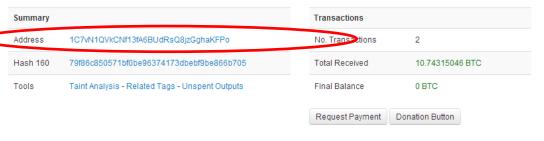


1Bv1PBNQQoN6tVnTeHFuRyRPm6bQoLCLo2 1Bsn1RcQ27tfWp1AX84M9fwQGFfeSAJzNk 1AEpGqruFs4rYQcRj425zc4ZbUppnkhkD9 0.004488 BTC 11.24315046 BTC 0.0225961 BTC

11.24315046 BTC

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Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.





Transactions (Newest First)

(Fee: 0.0002 BTC - Size: 473 bytes) 2013-12-13 09:49:27

2a2f0612c69c84fbec31c0d6a00e4635e934d0e59699c0e139da6bf3d7f5fdd0

1C7vN1QVkCNf13fA6BUdRsQ8jzGghaKFPo (10.74315046 BTC - Output)
15H4AfotLy2hLHyZ1D1JoXFzgQU42NAyQf (0.0227962 BTC - Output)

15aypuHwLJNvjf3fWRAA6hyMkXQMcjeYu 1054n60g9SahHtn7MuCHHgF37Q3NPCrEaU 15ArMJC2gJnJTeSrURkbnoJdR3exaTZetY

2 39315949 BTC 0 0225962 BTC

▼ Filter -

-10.74315046 BTC

f7e0c921e2cb30c16906b05d6153786b3bf6fdc728d27ee00a0246fb6e474f07

(Fee: 0.0002 BTC - Size: 473 bytes) 2013-12-13 08:37:49

1Bsn1RcQ27tfWp1AX84M9fwQGFfeSAJzNk (11.24315046 BTC - Output) 1NVD1DuCgXytnHPMshE44VRdjyUUvd2h8T (0.02154538 BTC - Output)

1D9s56hro1fUaYYnA1TitzZEdUZcvBDN4 1C7vN1QVkCNf13fA6BUdRsQ8jzGghaKFPo 1KC5wCKvxQpixJvWiMURfpV9SPEN3cCnJF 0.5 BTC 10.74315046 BTC 0.02134538 BTC

10.74315046 BTC

Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.

Summary		Transactions	
Address	15aypuHwvLJNvjf3fWRAA6hyMkXQMcjeYu	No. Transactions	2
Hash 160	324daa6dcb7600fb600b101056c70d27986c8584	Total Received	8.35 BTC
Tools	Taint Analysis - Related Tags - Unspent Outputs	Final Balance	0.00 BTC
		Request Payment Don	ation Button



Transactions (Newest First)

(Fee: 0.0002 BTC - Size: 437 bytes) 2013-12-13 09:49:53

1FUmJzz4EBq8r7QRszcdKtWBHJPVHD8PGd (0.0227961 BTC - Output) 15aypuHwvLJNvjf3fWRAA6hyMkXQMcjeYu (8.35 BTC - Output)

22c55638fca2e382bcd05a0c4ee97d52f4a0c176812f31acd16a9014ab3cc657

12w5fGWJEBat77Mgc9X8RrxTneEpB1CUk 1D5qdbEUhzx7SjGnmikzyznz18A4U14295

8.35 BTC 0225961 BTC

▼ Filter -

-8.35 BTC

2a2f0612c69c84fbec31c0d6a00e4635e934d0e59699c0e139da6bf3d7f5fdd0

(Fee: 0.0002 BTC - Size: 473 bytes) 2013-12-13 09:49:27

1C7vN1QVkCNf13fA6BUdRsQ8jzGghaKFPo (10.74315046 BTC - Output) 15H4AfotLy2hLHyZ1D1JoXFzgQU42NAyQf (0.0227962 BTC - Output)

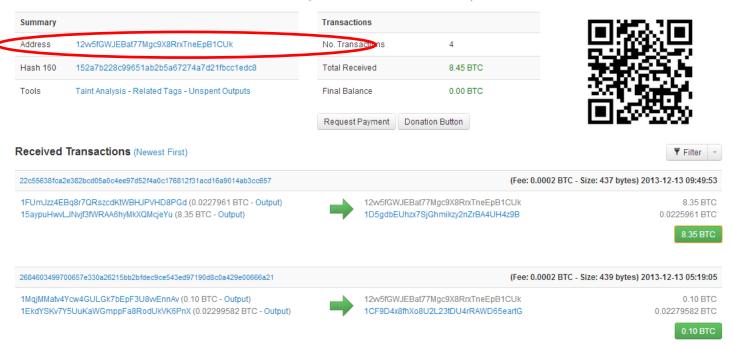


15aypuHwvLJNvjf3fWRAA6hyMkXQMcjeYu 1684n82g2SabHtn7MuCHHgF37Q3NPCrEaU 15ArMJC2gJnJTeSrURkbnoJdR3exaTZetY 8.35 BTC 2.39315046 BTC 0.0225962 BTC

8.35 BTC

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Bitcoin Address Addresses are identifiers which you use to send bitcoins to another person.



Subsequent transfers of bitcoins from address 12vv5fGWJEBat77Mgc9X8RrxTneEpB1CUk occurred on 12/23/2013 and after.